

Guidelines for Alternative Fuel Vehicle Conversion Fund

Pursuant to Va. Code Sec. 2.2-1176.1, the Director of the Department of General Services, in consultation with the Director of the Department of Mines, Minerals and Energy, hereby establishes these guidelines for contributions and reimbursements from the Alternative Fuel Vehicle Conversion Fund for the purchase or conversion of state-owned vehicles.

1. The Fund shall consist of such moneys appropriated by the General Assembly and any other funds available from donations, grants, in-kind contributions, and other funds as may be received for these purposes.
2. Contributions and reimbursements from the Fund may be requested by state agencies, including public institutions of higher education.
3. Funds can be used to cover the incremental cost of obtaining vehicles capable of using alternative fuels. These costs include the cost of converting vehicles to alternative fuel, and the cost of purchasing new vehicles which are factory-equipped for alternative fuel.
 - a. When converting a new or existing vehicle, requests for contributions or reimbursement may include up to 100% of the cost of certified conversion to at least one alternative fuel.
 - b. When purchasing a new vehicle, requests for contributions or reimbursement may include up to 100% of the additional cost of purchasing a new vehicle equipped to operate on at least one alternative fuel over the cost of purchasing a similar vehicle equipped to operate on gasoline or diesel. The requesting agency must provide information on the cost of an equally equipped gasoline or diesel model currently on statewide contract, and the cost of purchasing the alternative fuel model.
4. Contributions and reimbursements may be in the form of a grant or a loan.
5. Loans shall not exceed 4 years. Agencies will be required to sign a loan agreement setting forth the term, any interest rate, and repayment provisions.
6. If seeking reimbursement, requests must be accompanied by documents showing payment has been made by the agency.
7. In determining whether to approve a request for contribution or reimbursement, the Director may consider the agency's prior requests and the amount of outstanding loans, if any, to the agency, as well as the amount of funds available in the Fund.
9. Requests shall be made to the Director of the Office of Fleet Management Services, and shall be signed by the head of the requesting agency.